

Message Text

LIMITED OFFICIAL USE

PAGE 01 CARACA 01017 011834Z

50

ACTION ARA-20

INFO OCT-01 ISO-00 EUR-25 NEA-11 AID-20 CIAE-00 COME-00

EB-11 FRB-02 INR-10 NSAE-00 RSC-01 TRSE-00 XMB-07

OPIC-12 SPC-03 CIEP-02 LAB-06 SIL-01 OMB-01 INT-08

FEA-02 DODE-00 PM-07 H-03 L-03 NSC-10 PA-04 PRS-01

SS-20 USIA-15 SAM-01 SCI-06 DRC-01 AEC-11 /225 W

----- 038291

P 011645Z FEB 74

FM AMEMBASSY CARACAS

TO SECSTATE WASHDC PRIORITY 2605

LIMITED OFFICIAL USE CARACAS 01017

E.O. 11652: N/A

TAGS: ENRG, VE

SUBJECT: PRESIDENT CALDERA REPLIES TO CHILES RESOLUTION CONCERNING RECENT OIL PRICE INCREASES

REFERENCE: STATE 20673

BEGIN UNCLASSIFIED

SUMMARY: PRESIDENT CALDERA HAS JOINED THE CHORUS OF LOCAL DENUNCIATION OF SENATOR CHILES' RESOLUTION, TAKING ADVANTAGE OF THE OPPORTUNITY TO LASH OUT ANGRILY AGAINST THE U.S. IN DEFENSE OF VENEZUELA.

END SUMMARY

1. AT HIS WEEKLY PRESS CONFERENCE JANUARY 31, TEXT OF WHICH IS BEING POUCHED TO DEPARTMENT, PRESIDENT CALDDERA DECLARED: "I CONSIDER IT A HIGH HONOR THAT A SPOKESMAN FOR THE WORST SYSTEMS OF INTIMIDATION OF SMALL COUNTRIES (I.E. SENATOR CHILES) HAS MADE ME THE TARGET OF HIS ATTACKS AND HIS INSULTS." CALDERA CALLED VENEZUELA'S POLICY A "DEFENSE OF OUR NATURAL RESOURCES AND NATIONAL
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 CARACA 01017 011834Z

SOVEREIGNTY." HE SAID THAT ITS PETROLEUM GIVE SVENEZUELA A "GREAT

INSTRUMENT PRECISELY FOR AVOIDING BECOMING THE OBJECT OF EXTORTION OR INJUSTICES."

2. WITH REFERENCE TO THE CURRENT HIGH PRICE OF PETROLEUM, CALDERA REMARKED; "THE THOUGHT STRIKES US HOW MUCH OF OUR MONEY THEY DIDN'T PAY US, BECAUSE IT IS NOT THAT PETROLEUM WAS WORTH LESS, BUT THAT THROUGH VARIOUS KINDS OF MANEUVERS THEY PAID US A PITTANCE FOR IT. WITH WHAT THEY DIDN'T PAY US THEY COULD HAVE FINANCED THE ALLIANCE FOR PROGRESS SEVERAL TIMES. IF THE TIME HAS COME FOR AN ARTICLE SO ESSENTIAL AND VALUABLE AS PETROLEUM TO BE PAID WITH JUSTICE, SENATOR (CHILES) AND THE INTERESTS HE REPRESENTS SHOULD KNOW THAT ALL VENEZUELANAS ARE READY AS ONE MAN TO DEFEND OUR RIGHTS."

3. CALDERA STATED THAT A RECENT STUDY BY THE FEDERAL ENERGY OFFICE, THEORIZING THAT AN EXCESS OF PETROLEUM COULD EXIST AFTER MAY 1974, COULD BE JUSTIFIED ONLY "IF THE SAUDI ARABIAN PRODUCERS WERE TO FORGET EVERYTHING WHICH HAS OCCURRED AND EMBARK UPON ABSURD COMPETITION, LOWERING THEIR PRICES AND DEPLETING THEIR PRODUCT VERY QUICKLY. THAT WILL NOT HAPPEN. WITHIN OPEC THERE EXISTS A CLEAR UNDERSTANDING OF THE DEFENSE OF THE RIGHTS OF THE PRODUCERS AND COMPLETE HARMONY." CALDERA NOTED THAT "THERE HAVE BEEN SPOKESMEN IN THE U.S. CONGRESS WHO SAY THAT THE BAD SYSTEMS MUST BE FORGOTTEN AND THE TREATMENT OF LATIN AMERICA MUST BE REVISED....IT IS POSSIBLE THAT THE GENERAL PUBLIC (IN THE U.S) IS DISPLEASED BECAUSE THE PRICE OF GASOLINE HAS GONE UP. IT IS LOGICAL FOR THEM TO FEEL INCONVENIENCED, AND PERHAPS THEY HAVE NOT BEEN TOLD THAT THE PRICE INCREASE IS NOT THE WORK OF THE PRODUCERS BUT THAT THE EXPLOITING COMPANIES HAVE INCREASED THEIR PROFITS IMPRESSIVELY, APART FROM THE TAXES IMPOSED BY THE GOVERNMENTS OF THE PRODUCING COUNTRIES."

4. CALDERA CALLED UPON U.S. PUBLIC OPINION TO REALIZE THAT THE PRICE OF MANUFACTURED ARTICLES EXPORTED TO VENEZUELA COULD NOT CONTINUE TO RISE WHILE THE PRICE OF OIL CONTINUED TO GO DOWN ONLY BECAUSE THE PRODUCERS "LACKED SUFFICIENT STRENGTH, COURAGE OR SOLIDARITY TO MAKE THEM PAY WHAT IS JUST."

BEGIN LIMITED OFFICIAL USE

5. COMMENT: SENATOR CHILES' RESOLUTION HAS EXCITED MUCH LOCAL COMMENT, ALL UNFAVORABLE, AND HAS GIVEN PRESIDENT CALDERA AND LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 CARACA 01017 011834Z

OTHER NATIONALISTIC POLITICIANS A PERFECT OPPORTUNITY TO INDULGE IN SOME SELF-RIGHTEOUS DEMAGOGUERY OF THEIR OWN AND PORTRAY THEMSELVES AS DEFENDERS OF VENEZUELA'S "SOVEREIGN RIGHTS" AGAINST U.S. "THREATS".
MCCLINTOCK

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PETROLEUM, PRESIDENT, PRICE TRENDS, SPEECHES, FOREIGN POLICY POSITION
Control Number: n/a
Copy: SINGLE
Draft Date: 01 FEB 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: morefirh
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974CARACA01017
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: CARACAS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740263/aaaacgwb.tel
Line Count: 112
Locator: TEXT ON-LINE
Office: ACTION ARA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: STATE 20673
Review Action: RELEASED, APPROVED
Review Authority: morefirh
Review Comment: n/a
Review Content Flags:
Review Date: 28 MAY 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <28 MAY 2002 by elbezefj>; APPROVED <03 JUN 2002 by morefirh>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: PRESIDENT CALDERA REPLIES TO CHILES RESOLUTION CONCERNING RECENT OIL PRICE INCREASES
TAGS: ENRG, VE, (CHILES, LAWTON), (CALDERA RODRIGUEZ, RAFAEL)
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005